



House of Representatives

General Assembly

File No. 158

January Session, 2003

Substitute House Bill No. 6471

House of Representatives, April 2, 2003

The Committee on General Law reported through REP. FOX of the 144th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING THE RENTAL OF TRUCKS FOR THE TRANSPORTATION OF PERSONAL PROPERTY.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective October 1, 2003*) (a) For the purposes of
2 this section:

3 (1) "Rental truck" means a motor vehicle rented without a driver
4 that has a gross vehicle weight rating of twenty-six thousand pounds
5 or less and is used in the transportation of personal property but not
6 for business purposes.

7 (2) "Rental company" means any business entity that is engaged in
8 the business of renting trucks or vans without a driver in this state to
9 renters and that uses for rental purposes a motor vehicle fleet of five or
10 more rental trucks in this state, but does not mean any person, firm or
11 corporation that is licensed, or required to be licensed, pursuant to
12 section 14-52 of the general statutes, (A) as a new car dealer, repairer or

13 limited repairer, or (B) as a used car dealer that is not primarily
14 engaged in the business of renting passenger motor vehicles or rental
15 trucks without a driver in this state to renters.

16 (3) "Financial instrument" includes, but is not limited to, a check,
17 money order, note, credit card, debit card or transaction authorization
18 mechanism.

19 (b) A rental company that accepts a reservation for a rental truck
20 and secures the reservation with a financial instrument shall deliver
21 the rental truck at the time and location specified by the rental
22 company at the time the reservation is made or provide a reasonable
23 alternative acceptable to the consumer.

24 (c) A violation of subsection (b) of this section by a rental company
25 shall be deemed an unfair or deceptive trade practice under subsection
26 (a) of section 42-110b of the general statutes.

This act shall take effect as follows:	
Section 1	October 1, 2003

Statement of Legislative Commissioners:

"Leasing" was changed to "renting" and "lessees" was changed to "renters" in subdivision (2) of section 1 for internal consistency.

GL *Joint Favorable Subst.*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note**State Impact:**

Agency Affected	Fund-Type	FY 04 \$	FY 05 \$
Consumer Protection, Dept.; Attorney General	GF - None	None	None

Note: GF=General Fund

Municipal Impact: None

Explanation

This bill requires truck and van rental companies which obtain reservations for their vehicles through some type of fiduciary agreement to deliver the vehicle to the consumer at the scheduled time and place. A company unable to comply with the reservation agreement must provide a reasonable alternative. A violation of this provision would be deemed to be an unfair trade practice.

Since the Department of Consumer Protection (DCP) already receives complaints against this activity under CUTPA (Connecticut Unfair Trade Practices Act), passage of this bill will conform with existing practice; thus, no fiscal impact is anticipated.

Moreover, it is also anticipated that the Attorney General will be able to handle any additional cases referred to it under the provisions of the bill without the need for an additional appropriation.

OLR Bill Analysis

sHB 6471

***AN ACT CONCERNING THE RENTAL OF TRUCKS FOR THE
TRANSPORTATION OF PERSONAL PROPERTY*****SUMMARY:**

This bill requires truck and van rental companies that secure reservations for their vehicles through a check, money order, note, credit card, debit card or transaction authorization mechanism to deliver the vehicle to the consumer at the time and place specified when the reservation is made. Companies unable to deliver the desired vehicle at the scheduled time and place must provide a reasonable alternative acceptable to the consumer. A violation is an unfair trade practice.

EFFECTIVE DATE: October 1, 2003

Rental Companies

Under the bill, a rental company is any business that (1) leases trucks or vans without drivers to transport personal property, but not for business use, and (2) has at least five rental trucks, each with a gross vehicle weight of 26,000 pounds or less. The bill excludes (1) new car dealers, repairers, or limited repairers and (2) used car dealers who are not primarily in the business of renting passenger cars or rental trucks.

BACKGROUND***Unfair Trade Practice***

The law prohibits businesses from engaging in unfair and deceptive acts or practices. The Connecticut Unfair Trade Practices Act allows the consumer protection commissioner to issue regulations defining what constitutes an unfair trade practice, investigate complaints, issue cease and desist orders, order restitution in cases involving less than \$5,000, enter into consent agreements, ask the attorney general to seek injunctive relief, and accept voluntary statements of compliance. The act also allows individuals to bring suit. Courts may issue restraining orders; award actual and punitive damages, costs, and reasonable

attorneys fees; and impose civil penalties of up to \$5,000 for willful violations and \$25,000 for violating a restraining order.

COMMITTEE ACTION

General Law Committee

Joint Favorable Substitute

Yea 18 Nay 0